IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

ARBITRATION PETITION NO.196 OF 2007

Mr.Jitendra Chaudhary .. Petitioner.

Versus

Karvy Stock Broking Ltd. & Ors. .. Respondents.

Mr.Vikas Takalkar i/b.Singhani Legal Services for petitioner.

Ms.J.M.Sidhwa for respondents.

CORAM : S.C.DHARMADHIKARI, J.

DATE : 6th September, 2007.

P.C.

1. This petition challenges an Award made by the Arbitrator whereunder he has directed that the respondent before him, who is petitioner

before me to pay to the respondents/applicants a sum of Rs.5,39,700/-. Only submission made before me while challenging the Award, delivered on 3rd January, 2007 is that there was no privity of contract between the petitioners and the respondents. There could not have been any trading inasmuch as there was no margin money in the account of the present petitioner is the submission. There was no question of the petitioner, therefore, placing any orders or making any delivery. In such circumstances and when entire material in that behalf is placed before the Arbitrator, including placing reliance on N.S.E. Regulations and more particularly 3.10 thereof, the subject Award could not have been rendered. The Award is, therefore, liable to be set aside as it squarely falls within the purview of Section 34 of the Arbitration and Conciliation Act, 1996.

2. There is a further order dated 14th March, 2007, which also has been impugned. Additional submissions could not have been entertained and the Arbitrator was right in rejecting the request that additional submissions be taken on file.

3. I have perused the subject Award with the assistance of the learned Advocate, appearing for the petitioner and Ms.Sidhwa, appearing for the respondents.

4. The Arbitrator has noted that the applicant was engaged as a broker by the petitioner, who is a constituent. There was trading between them. Contract / bills were executed and duly forwarded. Some of them were collected personally. The account statements were also sent and e-mails were forwarded demanding the margin shortfall of Rs.5,35,590.64.

5. The present petitioner flatly denied the contract itself. He stated that there was no privity as between him and the respondents. However, the Arbitrator has observed that the contract signed by him as a client has not been disputed. There is just bare denial. The Award has dealt with the rival contentions and cogent and satisfactory reasons have been assigned consistent with the material being produced to ultimately hold that the petitioner is liable to pay the amounts as awarded.

6. This is not a Court of further Appeal. Within the restricted parameters laid down by Section 34 of the Arbitration and Conciliation Act, 1996, I am of the opinion that the subject Award cannot be interfered with.

7. Arbitration petition is therefore

dismissed.

(S.C.Dharmadhikari, J.)